

2002 Analyst Meeting

November 7, 2002



Dirk Meyer
SVP, Computation Products Group

November 7, 2002

- CPG Objective
 - Become the world's leading supplier of microprocessor-based solutions for the computation, information access and media access markets
- Current Opportunities
 - Enterprise
 - Server: Opteron™
 - Mobile: Expand into "Thin & Light"
 - Desktop: Athlon XP™
 - Consumer
 - Protect and extend share
- AMD's 64-bit Future

AMD Servers Gaining Momentum



June 2001 - Entered the server/workstation market with introduction of AMD Athlon™ MP processor and AMD-760™ chipset

December 2001 - Launched AMD Athlon MP processor 1900+ and the 760-MPX chipset; Motherboard support expanded to five



February 2002 – First public demonstrations of upcoming x86-64 AMD Opteron™ processor, running in 32-bit mode



April 2002 – AMD announces the AMD Opteron™ processor brand for multi-processor workstations and servers



April 2002 - Microsoft announces intent to incorporate 64-bit support for AMD Athlon and AMD Opteron processors

June 2002 – AMD demos first 4-way AMD Opteron processor-based server at Computex



July 2002 – IBM demonstrates 64-bit port of DB2 database software running on AMD Opteron processors

August 2002 – AMD launched AMD Athlon™ MP processor 2200+



August 2002 – Red Hat announces that it will offer global support for the upcoming AMD Opteron and AMD Athlon processors

Relationships with largest Enterprise accounts

- 800+ new account visits in FY2002**
- 90+ meetings per Business Development Executive**
- Seed testimonial and reference accounts**

Meetings with largest Public Sector accounts

AMD Customer Advisory Council

Enterprise Analyst Campaign

White papers/web tools: IDC, Gartner, GIGA,



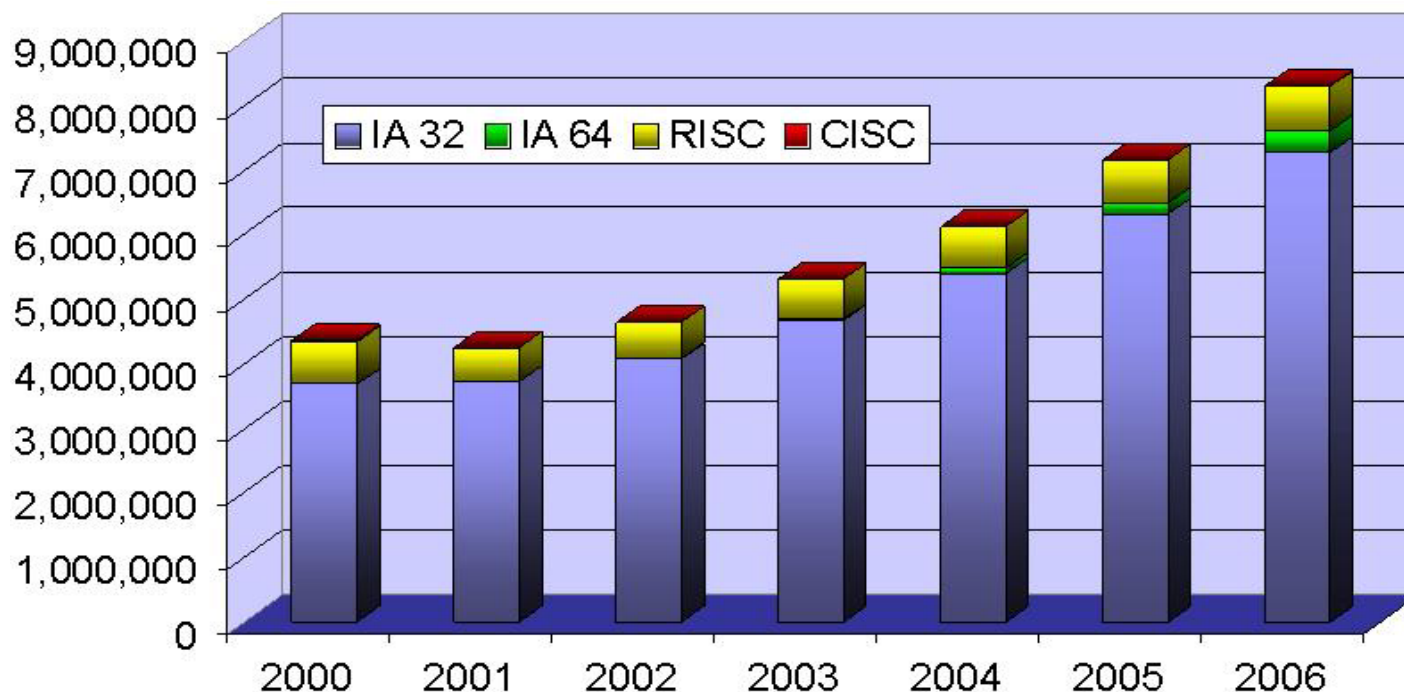
AMD Server Customer Wins



Mercedes-Benz



Worldwide Server Processor Forecast



	2000	2001	2002	2003	2004	2005	2006
IA 32	3,689,165	3,732,842	4,080,367	4,671,110	5,421,186	6,329,088	7,277,301
IA 64	0	760	5,260	22,365	69,100	164,128	337,077
RISC	667,114	526,038	561,591	638,842	644,669	686,136	694,420
CISC	9,258	4,879	5,223	4,231	4,235	4,290	4,451

Data source: IDC WW Quarterly Server Forecast 32-bit market (June 13, 2002)

"... open source platforms and mass commoditization, will drive the server market through the next decade" *

- Standards-based, volume-driven, low-cost solutions
- Enhanced computing resources with support for legacy applications
- Improved return on investment (ROI)
- Examples:
 - Windows NT/2000 leading the field with more than 55% share in the SMB segment **
 - Migration away from Precision Architecture (PA)-RISC and Alpha™ Processors and toward x86-based systems
 - Revenue dollars for RISC-based servers are expected to be eclipsed by other computing platforms for the first time in 2002

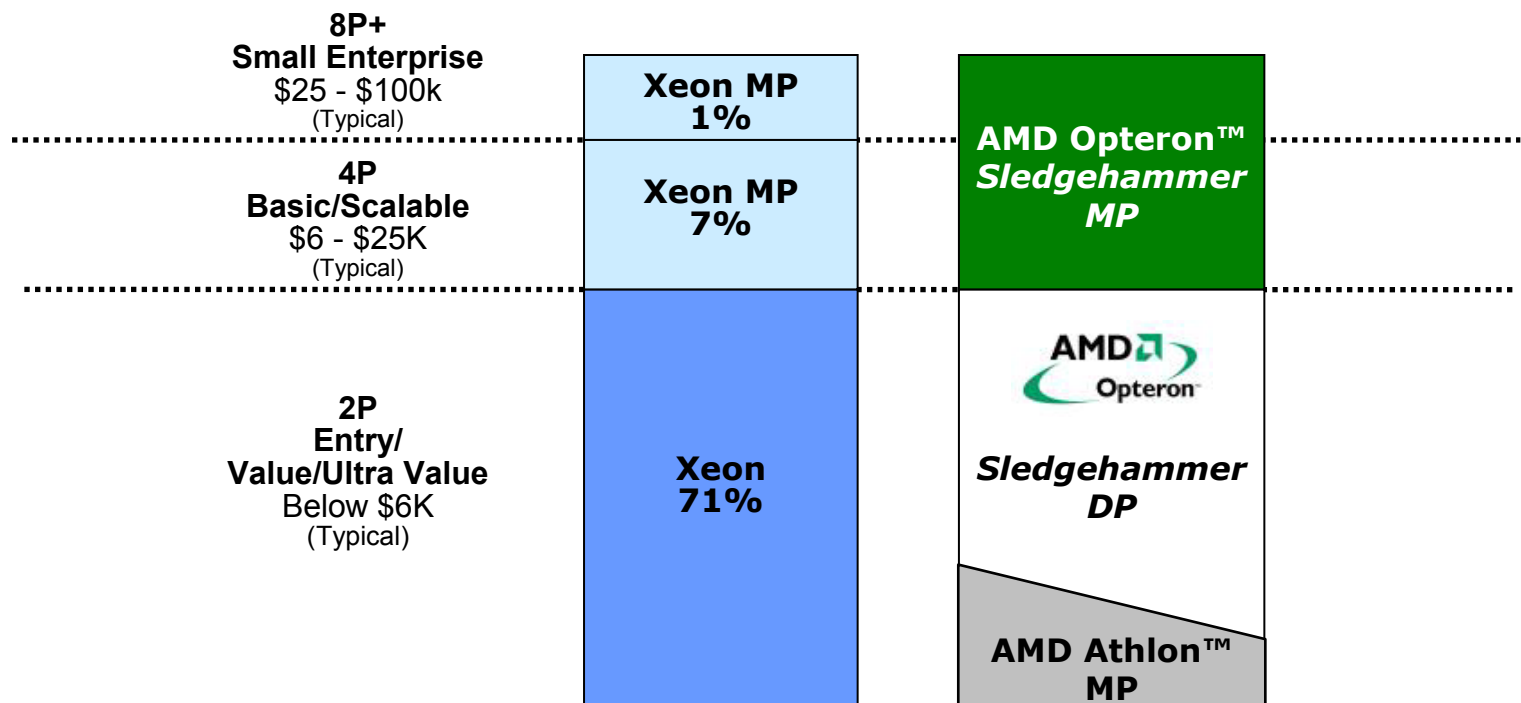
*** Source IDC 2000**

**** Source IDC, 2002**

Opteron™ will compete with Xeon



- 32-bit pricing with 64-bit capabilities

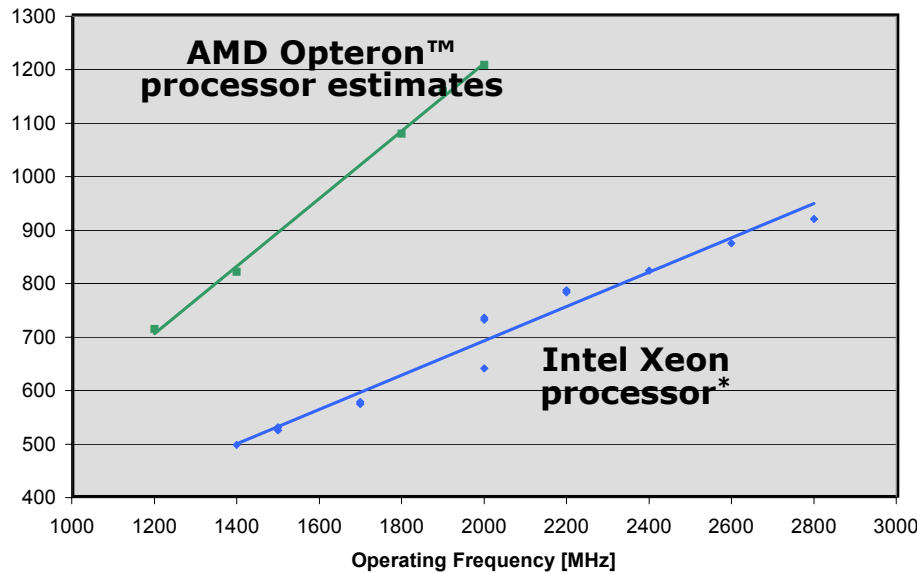


Data source: IDC WW Quarterly Server Forecast 32-bit market (June 13, 2002)

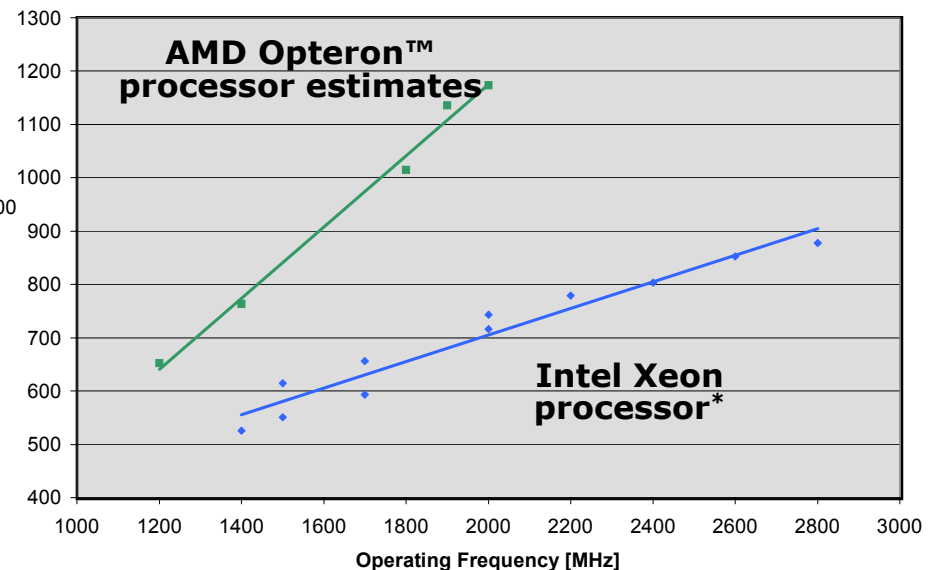
AMD Opteron™ = Superior Performance



Specint2000

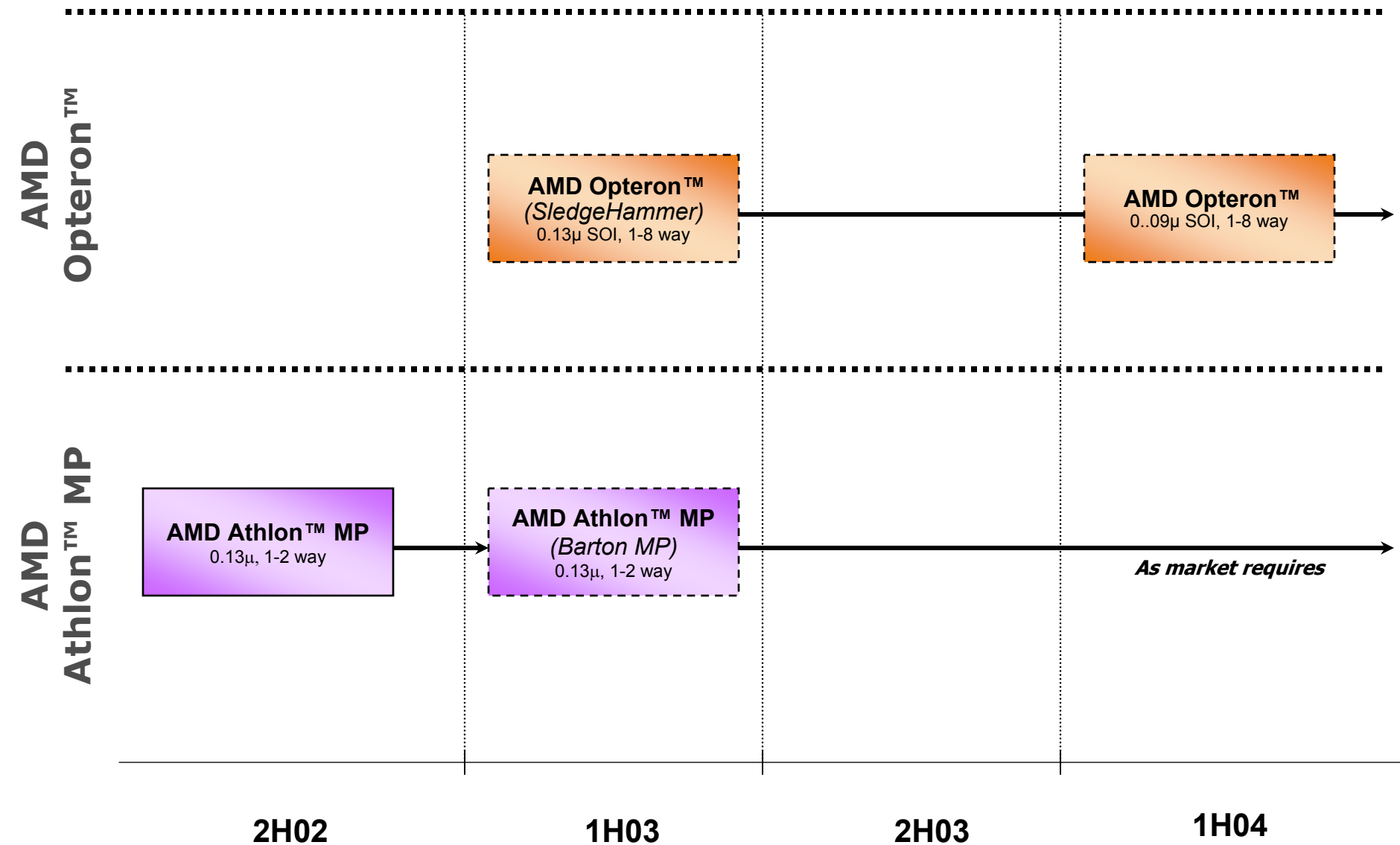


Specfp2000



*Source <http://www.spec.org/osg/cpu2000/results/cpu2000.html>

AMD Server/Workstation Processor Roadmap



Roadmap Subject to Change without Notice

8 Commercial Notebook Wins in 2002



Versa C140



Evo N115 & now
Evo N1015v



Mebius PC-GP1-M1F or M1P



LifeBook® A-Series



A10 XTC 1500+



Note for Office NZ

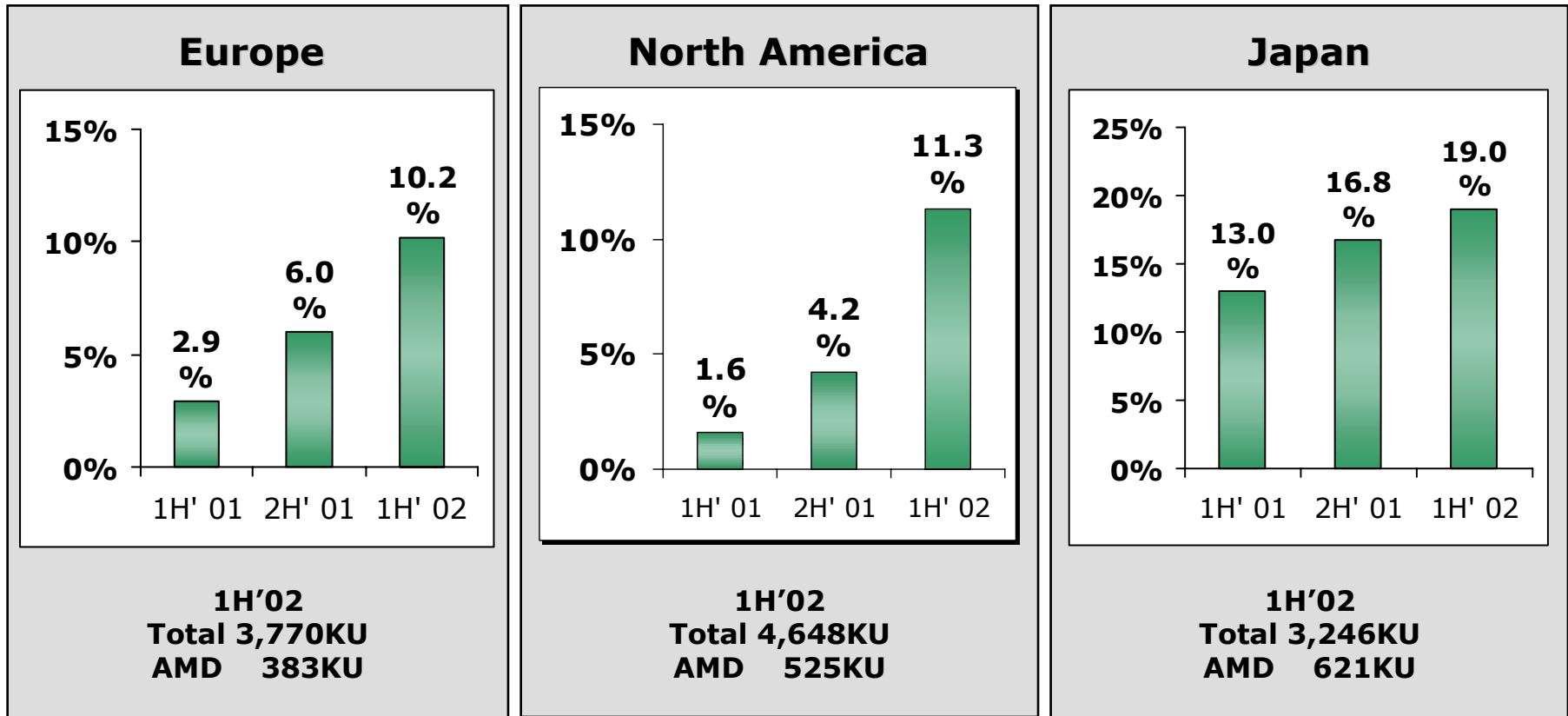


Aspire 1300

Trigem
Dreambook S



Increasing Mobile Share in Key Regions



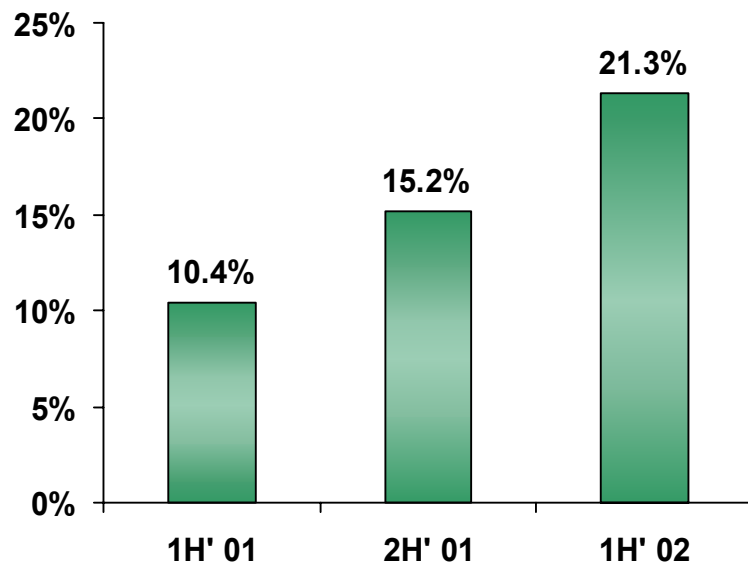
**3 Regions (11.7M units 1H'02) comprise 85% WW Market
AMD totals 1.5M units, or 13% share**

Source: Gartner Aug '02

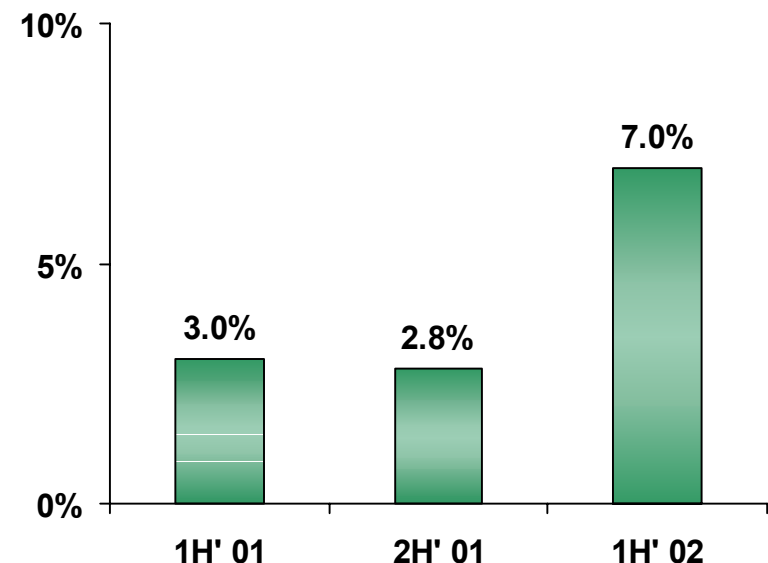
AMD Mobile Market Share Update, 1H'02 Worldwide - Consumer & Commercial



AMD WW Consumer NB



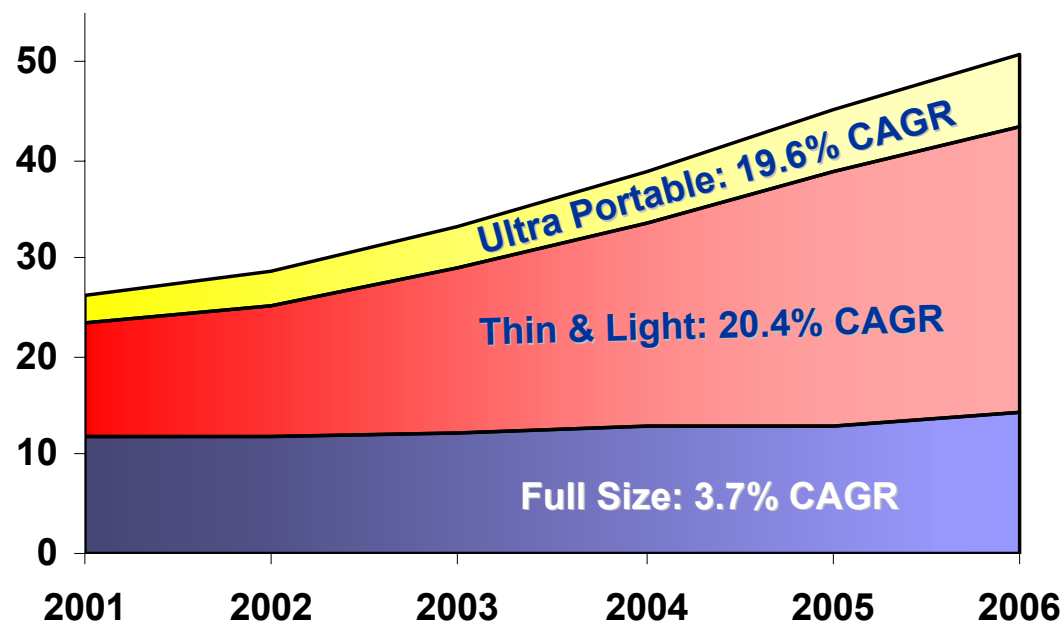
AMD WW Commercial NB



Growing share in both consumer and commercial!
1H'02 AMD overall market share: 12%

Source: Gartner, Aug'02

Thin and Light Segment Growing Rapidly



2002 AMD Estimates:

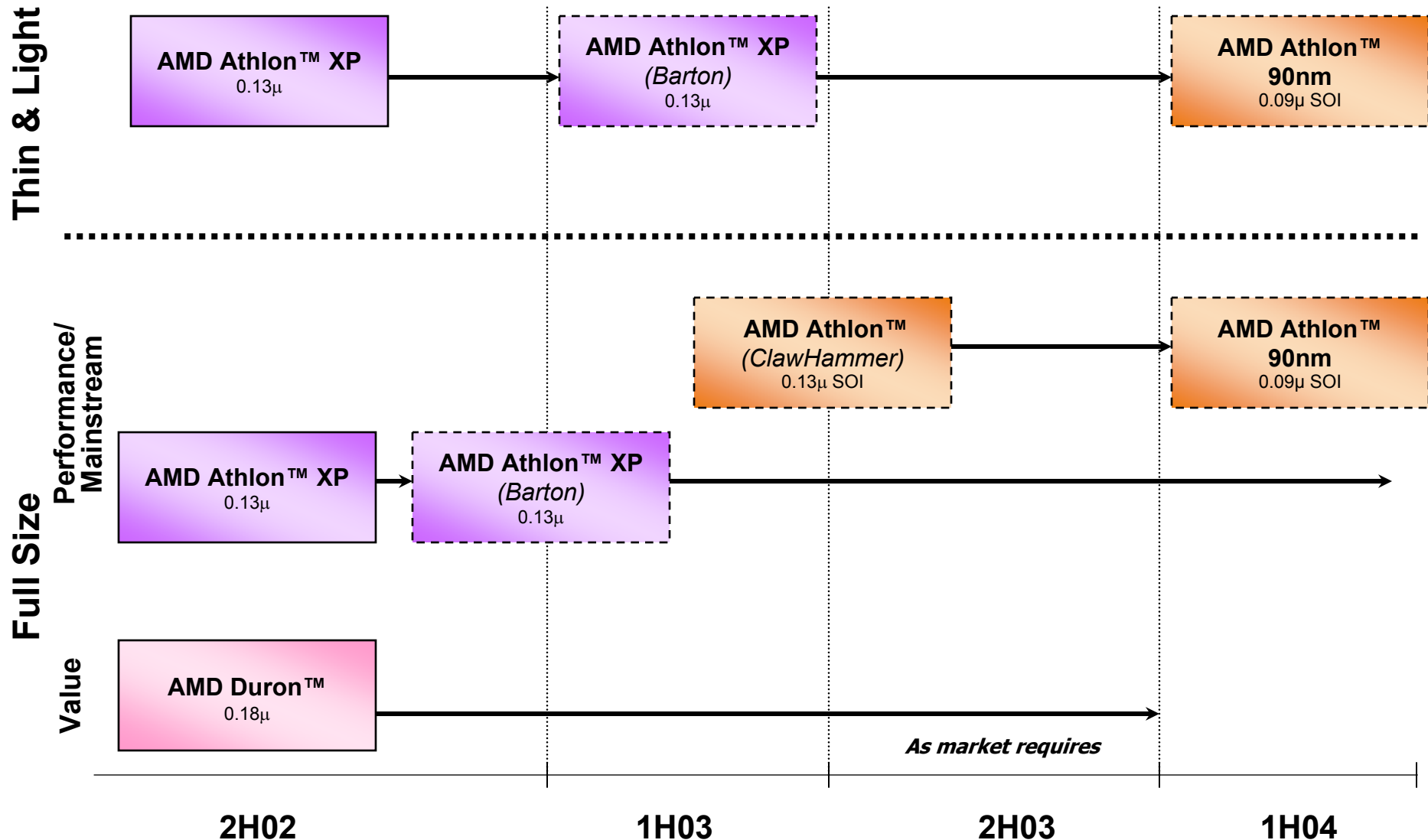
- 74% T&L today is Commercial
- Growth expected in Consumer
- Big 3 are roughly 50% of T&L

	2001	2002	2003	2004	2005	2006	CAGR 02-06
Thin&Light (M Units)	11.6	13.5	16.7	20.8	25.7	29.4	20.4%

Source: PC Database, June '02

- **Expand Focus to Commercial and Thin & Light Solutions**
 - Fastest growing segment
 - Critical for market expansion
 - Wireless solutions
- **Maintain Share & Momentum in Consumer and SMB**
 - Well penetrated in Full-Size consumer and SMB
 - Respond to new market trends and competitive threats
 - Expand ODM channel business in new & emerging markets
- **Exploit Unique Value Proposition of Hammer**
 - Leadership 32-bit processor performance
 - 64-bit ready ... with no additional cost
 - AMD enabling 30-40M 64-bit-ready client devices/year!
 - Market trending towards software-intensive Video and Multi-media applications

AMD Mobile Processor Roadmap



Roadmap Subject to Change without Notice



November 2002

- **Top Desktop Power PC**
- **Top Desktop Value PC**
- **Top 4 of 7 Power Home PC's**

- **Computer Product of the Year 2002**

Presented by: PC World

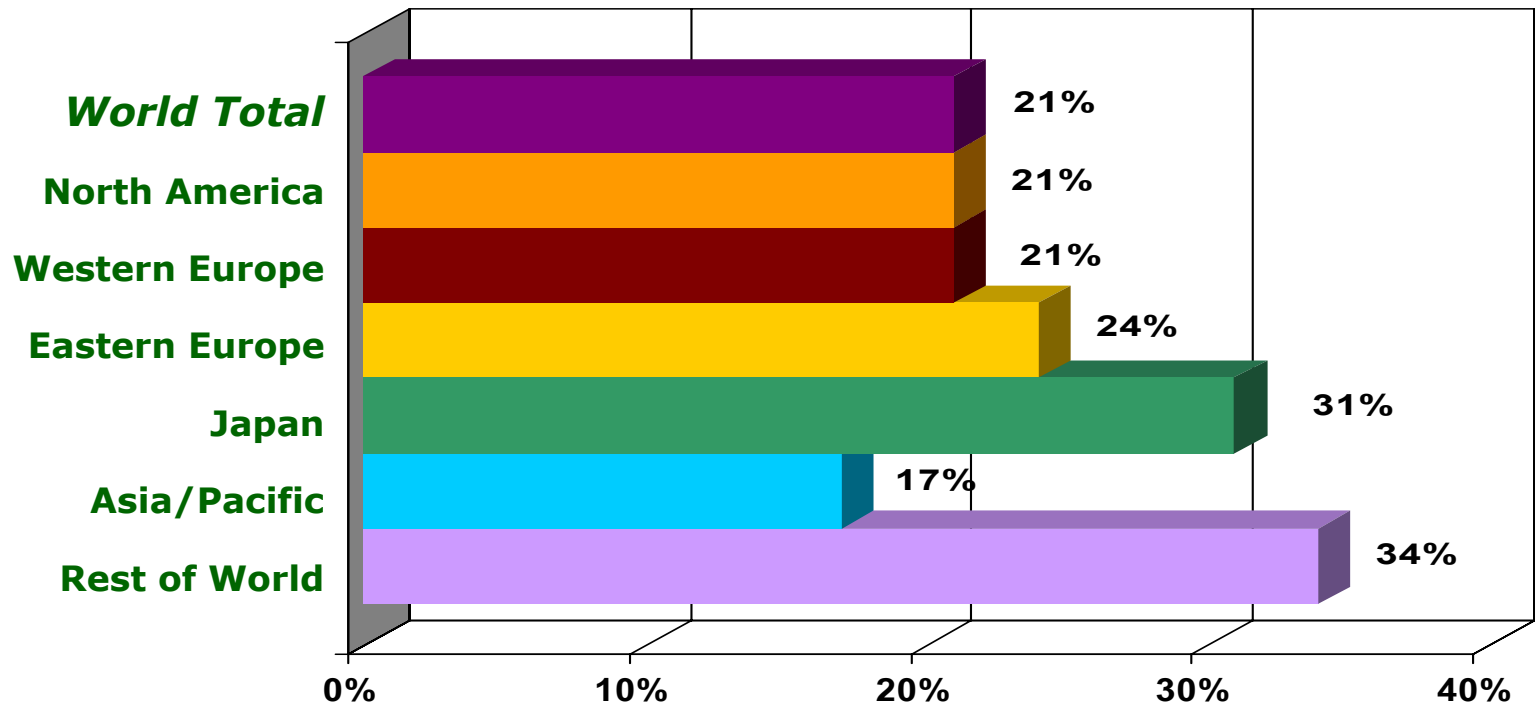
July 2002

-- USA



- **Best-gaming PC under \$2,000**
Computer Shopper
November 2002

AMD's Desktop Market Share



Q2 2002 AMD Worldwide Market Share

Desktop Windows-based PC's	21%
Mobile Windows-based PC platforms	12%

Source: Dataquest Quarterly Statistics, 2Q Edition, August 2002
Data is based upon shipments of Windows-based PC Systems

Consumer Applications



Office
Productivity



Digital Media or
Content Creation



3D Gaming

- Performance is important to all consumers - they just communicate it differently
- Consumers see performance as the amount of time it takes to perform a task in software
- To be valuable, communicating performance to consumers must address different types of software applications

Gaining Traction in the Press



"The [AMD] Athlon[™ processor] schools the similarly clocked Intel processor... there you have it: The 'megahertz myth' has been proved."

- *MaximumPC*, November 2002

"AMD has delivered on their promises, with XP processors meeting or exceeding their primary competitive targets. So while most of our readers are savvy enough to understand the difference, AMD has gambled, and won that the average "Joe" would take to the naming convention as well."

-SimHQ



Best CPU
"We ain't falling into the clock speed trap!"
-tomshardware.com



November 2002 Issue

- The Canadian government's "desktop microcomputer configuration" requirements are based on application performance.
 - AMD Athlon™ XP processor 1.5GHz *or* Intel Pentium 4 1.8GHz

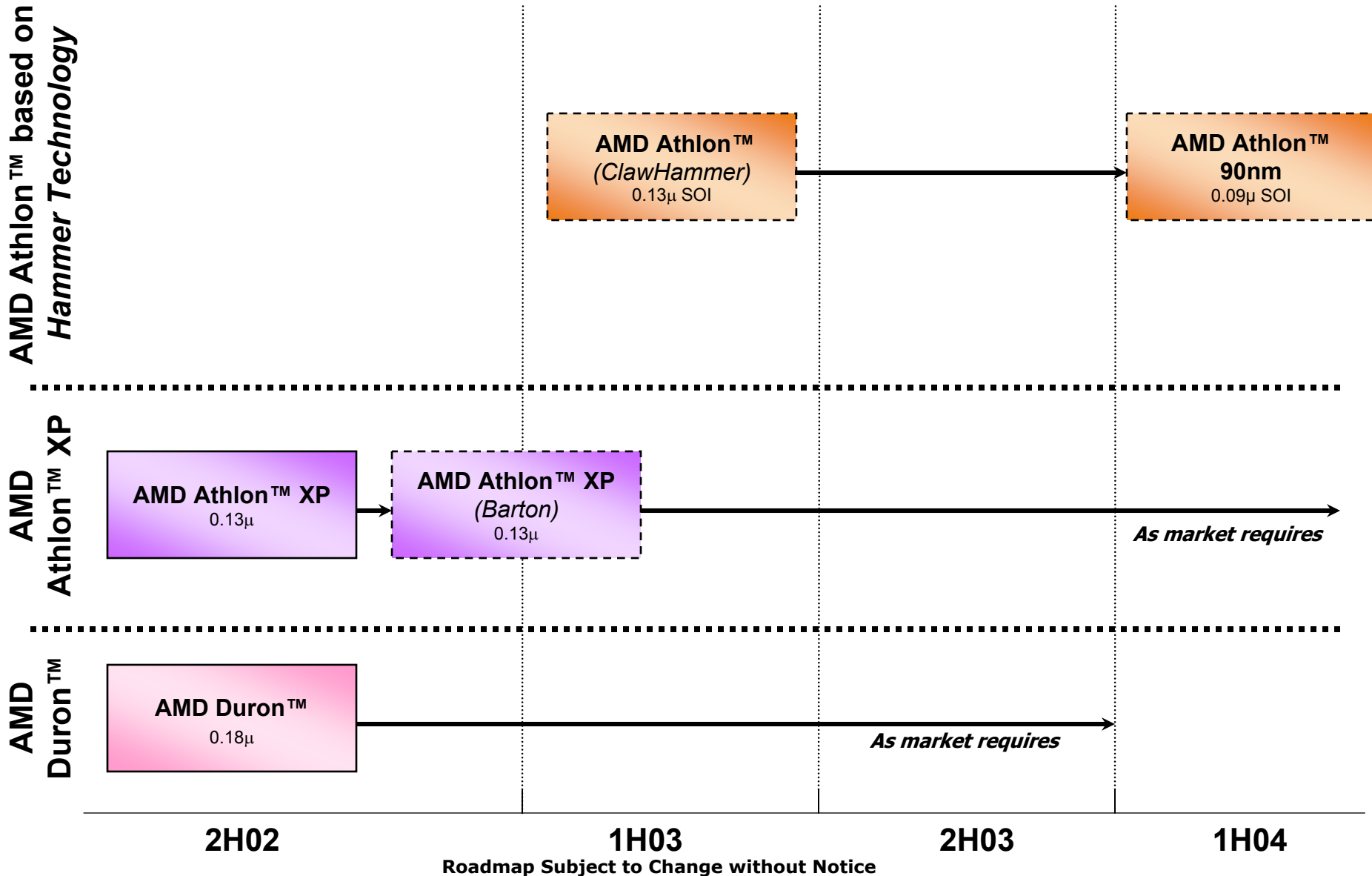
http://computer.pwgsc.gc.ca/micro/tcs_desktop-e.pdf
- European Union Commission has published and defined its own way to measure and classify PC performance based on minimum benchmark scores ... *not* frequency.

http://europa.eu.int/comm/di/tenders/cft_en.htm#0207
- The US Bureau of Labor Statistics concludes that frequency is "more confusing than enlightening."

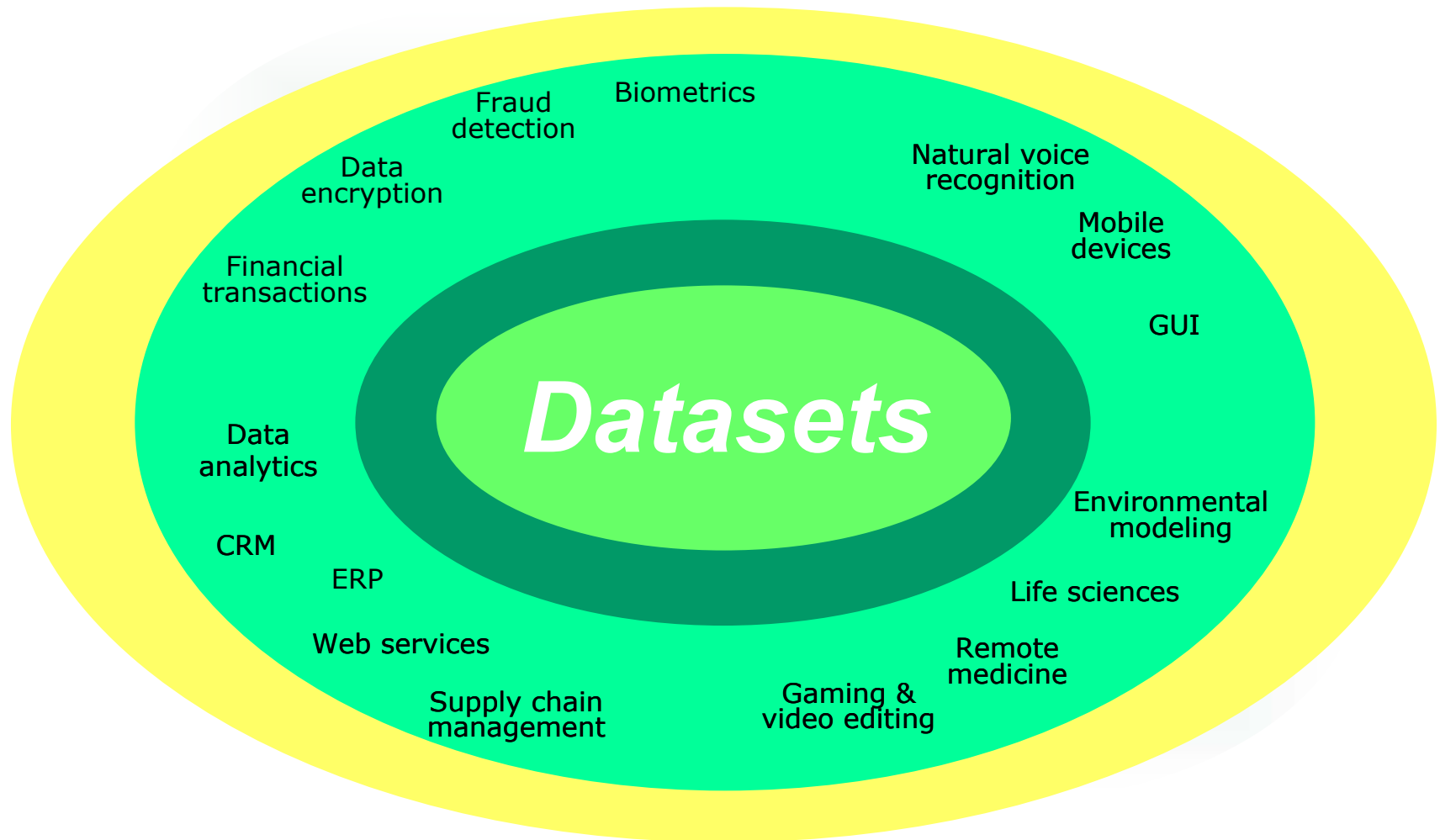
<http://www.bea.doc.gov/bea/papers/mpuvqa.pdf>

- Extend penetration in the commercial desktop market
 - HP Compaq D315 Business PC
- Elevate PC industry's focus on end-user applications performance: True Performance Initiative
- Continue to deliver leading-edge performance solutions
 - AMD Athlon™ XP based on Barton
 - AMD Athlon based on Hammer Technology
- Enable smooth transition to AMD Athlon based on Hammer technology
 - Leading Edge 32-bit performance
 - Seamless migration to 64-bit computing

AMD Desktop Processor Roadmap

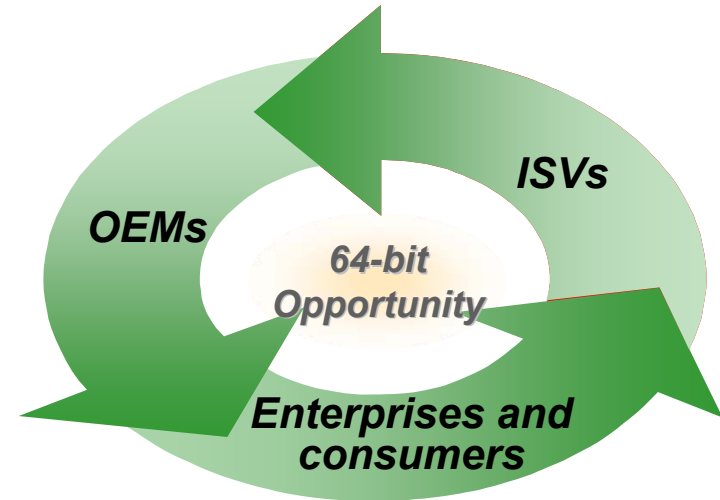


64-bits: Sooner Than You Think



Success belongs to the next-generation business model that best meets the needs of the entire 64-bit ecosystem.

- ✓ *High Volume*
- ✓ *Low TCD/TCO*
- ✓ *Scalable Performance*
- ✓ *Open Platform*
- ✓ *Seamless Migration*



- Drive additional growth through:
 - Server strategy
 - Thin and Light Notebooks
 - Increased emphasis on enterprise
- Launch Hammer; Lead market transition to 64-bit computing



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